

FLOOD CONTROL AND WATER CONSERVATION DISTRICT BOARD SUBMITTAL  
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA

8136



FROM: General Manager-Chief Engineer      SUBMITTAL DATE: May 13, 2003

SUBJECT: Multi-year Professional Services Agreement with Macias, Gini & Company, LLP  
Annual Audit and Preparation of Financial Statements

RECOMMENDED MOTION:

1. Approve the multi-year Professional Services Agreement between the District and Macias, Gini & Company, LLP;
2. Authorize the Chairman to execute the Agreement documents on behalf of the District; and
3. Direct the Purchasing Agent to issue a Purchase Order on behalf of the District.

JUSTIFICATION:

Macias, Gini & Company (MGC) has worked closely with the County of Riverside and the District to conduct and prepare audited financial statements in accordance with auditing standards applicable to financial audits contained in Government Auditing Standards for fiscal year ended June 30, 2003. The attached professional services agreement identifies the scope of work required and the technical assistance necessary to comply with Governmental Accounting Standards Board (GASB) Statement 34 financial reporting and accounting issues. MGC shall review all documents and procedures for consistency and satisfactory performance levels.

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WARREN D. WILLIAMS  
General Manager-Chief Engineer

FINANCIAL DATA:

CURRENT YEAR COST \$48,044  
NET COUNTY COST \$-0-

ANNUAL COST \$48,044  
IN CURRENT YEAR BUDGET: YES  
BUDGET ADJUSTMENT: NO

C.E.O. RECOMMENDATION

**APPROVE**

County Executive Officer Signature

FISCAL PROCEDURES APPROVED  
Sandy Henry, Finance Director  
By Date 7/29/03

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**JUSTIFICATION contd.**

In an effort to maintain consistency in financial reporting we have negotiated a multi-year agreement with fixed fees. The exception for audited financial statements ended after June 30, 2003 is limited to an annual increase not to exceed the CPI for statements with fiscal years ended June 30, 2004 and June 30, 2005. The District will confirm the fees for each succeeding year prior to any work being performed. For work that is considered outside the "Scope of Services" as defined in Exhibit A, the District shall retain the right to negotiate and engage MGC for such services at the hourly rate defined in Exhibit B subject to the annual CPI increases not to exceed 10% of the fixed fee.

**FINANCIAL:**

Costs for audited financial statements for FY ending 6/30/03 shall not exceed \$48,044 although services will be performed in FY2003/2004. Sufficient funding is available in the District's General Fund 15100-947200 for FY2003/2004.